

Message Text

PAGE 01 BUJUMB 00665 281544 Z

45

ACTION AF-18

INFO OCT-01 ADP-00 EB-11 IGA-02 L-03 INR-10 AGR-20 CIAE-00

DODE-00 PM-07 H-02 NSAE-00 NSC-10 PA-03 RSC-01 PRS-01

SS-15 USIA-12 IO-13 AID-20 OMB-01 TRSE-00 COME-00

RSR-01 /151 W

----- 075855

R WUQRRTZ JUN 73

FM AMEMBASSY BUJUMBURA

TO SECSTATE WASHDC 3871

INFO AMEMBASSY KIGALI

C O N F I D E N T I A L BUJUMBURA 0665

E. O. 11652: GDS

TAGS: EAGR, BY, RW

SUBJECT: NOTES ON COFFEE INDUSTRY

REF BUJUMBURA 0639

1. GEORGE DREW, LEADING COFFEE EXPORTER, STATES THAT QUALITY BURUNDI CROP IS SO FAR MUCH POORER THAN USUAL, PARTICULARLY IN LIGHT MUCH BETTER QUALITY COFFEE BEING PRODUCED RWANDA. HE EXPRESSED CONCERN THAT OCIBU (GRB COFFEE JENCY) MAY FIND IT DIFFICULT TO FULFILL CONTRACTS FOR PROVISION OF GRADE 3 A COFFEE (USUALLY THE BULK OF BURUNDI' S CROP) AND REMARKED MORE GENERALLY THAT NEW EXPORTERS LACK OF EXPERIENCE LIKELY RESULT IN NON-PERFORMANCE OF EXPORT CONTRACTS OR OTHER MISTAKES DETRIMENTAL BURUNDI' S BEST INTERESTS. HOWEVER, LOCAL BANKING SOURCES REMAIN OPTIMISTIC AT MID- WAY POINT IN COFFEE SEASON (9,000 TONS INTO MARKET).

2. ACCORDING DREW, PRICE DISTRUBUTION DESCRIBED REFTTEL BASED ON UNREALISTIC ESTIMATES. IN PARTICULAR, AMOUNT MILLED COFFEE PRODUCED PER TON PARCHMENT COFFEE OVERESTIMATED. DREW THEREFORE ACCEPTING CONTRACTS FOR
CONFIDENTIAL

PAGE 02 BUJUMB 00665 281544 Z

EXPORT BURUNDI COFFEE ONLY SPARINGLY AT PRESENT.

3. VARIABLE PORTION OF EXPORT TAX, ABOUT 3.8 CENTS PER POUND AT CURRENT PRICES, MUST BE USED INVESTMENT UNDER

BURUNDI' S EXTRAORDP
ARY (DEVELOPMENT) BUDGET.

4. OCIBU COUNCIL, WHICH MANAGES STABILIZATION FUND, IS UNDER
PRESSURE TO LOAN ADDITIONAL MONIES FROM FUND TO BURUNDI
GOVERNMENT, PARTUCULARLY FOR USE MINISTER OF AGRICULTURE.
IT IS ESPECIALLY RELUCTANT DO SO IN VIEW OF UNSATISFACTORY
EXPERIENCE WITH AN EARLIER LOAN TO MIN AG.

COMMENT;

LOANS TO GRB SEEM PARTICULARLY DANGEROUS FOR THE FUND WHEN
THEORY OF FUND IS THAT IT WILL PAY OUT TO GROWERS AT
PRECISE MOMENT WHEN GOVERNMENT' S REVENUES BEING
DEPLETED BY FALLING COFFEE PRICES.
YOST

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 15 APR 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 02 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BUJUMB00665
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: BUJUMBURA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730636/dccbkaau.tel
Line Count: 72
Locator: TEXT ON-LINE
Office: n/a
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 08 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08-Jan-2002 by martinjw>; APPROVED <24-Jan-2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> r0p 19990421
Subject: NOTES ON COFFEE INDUSTRY
TAGS: EAGR, BY, RW
To: STATE INFO KIGALI
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005